proposed luxury tax he has left to be evolved by the wisdom of a House of Commons Committee, and has thereby given plenty of time to extravagantly minded people to lay in a store of stuff before the tax is brought into being.

Space will not allow me to deal fully with the Chancellor's very interesting analysis of our position as he expects it to be at the end of the financial year on the supposition that the war was then over. He expects a revenue then of £540 millions on the present basis, making, with the yield of the new taxes in a full year, £654 millions in all, without including the excess profits duty, and he expects an after-war expenditure of £650 millions, including £50 millions for pensions and £380 millions for debt charge. It seems to me that his expectation of after-war revenue is too high, and of after-war expenditure is too low. He says that the estimates have been carefully made, but that they include "a recovery from the absence of war conditions," but surely the absence of war conditions is much more likely to produce a diminution than a recovery in taxation. Under the present circumstances, with prices continually rising, the profits of those who grow or hold stocks of goods of any kind auto-matically swell. The rise in prices has only to cease, to say nothing of its being turned into a fall, to produce at once a big check in those

profits, and when we consider the enormous dislocation likely to be produced by the beginning of the peace period expectations of an elastic revenue when the war is over seem to be almost criminally optimistic,